

Chapter 14 - Grant Accounting

PURPOSE

This chapter presents procedures to be followed when establishing grants, recording grant budgets and requesting billings. It also describes the grant-related reports and procedures and includes typical examples which may be followed. It is not intended to provide users with an overview of the R★STARS grant accounting capabilities nor is it intended to “stand-alone” as a guide to using the Grant Billing subsystem. The R★STARS Reference Manual, Chapter 13, should be reviewed prior to attempting to utilize this subsystem.

Section	Page
14.1 Maintenance of the Grant Control Profile	14.1-1
14.2 Maintenance of Other Grant-Related Profiles	14.2-1
14.3 Entry of Grant Budgets	14.3-1
14.4 Entry of Subgrantee Financial Activity	14.4-1
14.5 Reporting and Inquiry	14.5-1
14.6 Grant Examples	14.6-1
14.7 CMIA Processing	14.7-1

The grant accounting and billing capabilities in R★STARS are provided through the use of the R★STARS Grant/Project subsystem. This subsystem may be utilized to account for grant costs only or may be utilized for its more complex features including budgeting and billing. The flexibility of this subsystem enables each agency to choose the level of complexity required on a grant-by-grant basis.

A grant may be established as one of the following types:

- **Federal Grant (01)** — received from the federal government.
- **State Grant (02)** — received from the state.
- **Local Grant (03)** — received from a local government.
- **Private Grant (04)** — received from a private entity.
- **Pass Through Grant (05)** — received by one state agency and subsequently disbursed to another state agency.

*Data Entry Guide
Grant Accounting*

The system capabilities associated with each of these grant types are the same. These capabilities include:

- Capturing and reporting financial information — expenditures, encumbrances, budgets, billings and receipts — whether or not the grant is defined within R★STARS as billable.
- Calculating and reporting billing transactions.
- Calculating billings using a variety of methods, including actual costs, standard costs per unit and standard percentage rates.
- Providing budgetary control and cash control over encumbrances and expenditures charged to a grant.
- Limiting the amount of billing transactions to the billable budgets for each grant phase.
- Associating a grant with a project to reduce the number of elements required to be entered on financial transactions.
- Maintaining general ledgers and reporting trial balances and other financial statements by grant phase and agency code 1.
- Enabling the conversion of the R★STARS expenditure object structure to a unique grantor structure for reporting purposes.
- Providing grant related reports which enable evaluation of financial information at a variety of different levels (transaction levels to summary levels) and a variety of different sort sequences.

This chapter provides the procedures to be followed to define the grant accounting and billing methodologies, enter grant budgets and request billings. Prior to attempting to complete any of the grant related system profiles or entering grant budgets, users must first determine which system capabilities are required for each grant. A thorough review of the R★STARS Reference Manual, Chapter 13 is a prerequisite to this step.

R★STARS includes a “companion” subsystem called Project Billing subsystem. Many of the grant accounting and billing features are also available for projects. Therefore, much of the information contained in this chapter is also contained in Chapter 12.

14.1 MAINTENANCE OF THE GRANT CONTROL PROFILE (29)

The grant cost accumulation and billing processes are controlled by a series of indicators and data elements stored in the Grant Control profile. This profile includes:

- **Grant Identification** — these elements include the grant number, grant phase, agency code 1, description, grant type, and look-up elements used to reduce coding on grant related transactions. Start and end dates are included to open and close the grant for posting financial transactions.
- **Indicators** — this segment defines the levels used to post financial information to the Grant Table and Agency Budget Table and includes other posting and control information.
- **Billing Information** — these elements define if, how and when the grant will be billed, along with a range and rate which are required for certain billing methods. Three Yes/No indicators are provided to allow the user to indicate whether billing computation is based on soft match, in kind, or memo entries.
- **Recovery Information** — the elements in this segment define the recovery transaction which is printed on the billing detail report. Included are the transaction code and classification elements used to record accounts receivable transactions.

The Grant Control Profile screen, shown on page 14.1-2, is used for on-line profile maintenance. The input coding instructions for the Grant Control profile are in Chapter 6.

Data Entry Guide
Grant Accounting

```

S029 VER 2.0                      R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                          GRANT CONTROL PROFILE            FACS
AGENCY:                            NOTE:
GRANT NO/PH:                      AGY CD 1:      GRANT TYPE:      (SYSTEM-GENERATED)
    TITLE:                        GEOGRAPHIC CODE:
SGL POST LEVEL IND:              LETTER OF CR NO:
EXP POST LEVEL IND:              REV POST LEVEL IND:              GRANT CTL TYPE IND:
CASH CTL POST IND:              CASH CTL TYPE IND:              PROJ/PH:              AGY CD 2:
SERV DATE CTL IND:              GRANT OBJ IND:              CONTRACTOR/SFX:
    * * * * * BILLING INFO * * * * *
METHOD:                          CYCLE:              MMDD: 1      2      3      4
OBJECT RANGE: -                  LOW:              HIGH:              RATE:
                                LOW:              HIGH:              RATE:
                                LOW:              HIGH:              RATE:
BILLING COMP - SOFT MATCH:      IN KIND:              MEMO ENTRIES:
    * * * * * RECOVERY SEGMENT * * * * *
CUR DOC/SFX:                    TC:              INDEX:              PCA:              AY:
COMP/AGY OBJ:                   FUND:              DESC:
MP CODE:                        AGY CD - 1:      2:      3:
FINAL POST DATE:                RTI:              STATUS CODE: A
EFF START DATE:                 EFF END DATE:              LAST PROC DATE:

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT

```

14.2 MAINTENANCE OF OTHER GRANT-RELATED PROFILES

The Grant subsystem utilizes seven other profiles in R★STARS: The D47 Grant Number profile, the D28 Grantor profile, the D35 Grant Type profile, the D40 Grant Category profile, the 92 Grant/Project Billing Request profile, the D48 Grant Object profile and the D26 Agency Code 1 profile. The functions of these profiles are described below. The input coding instructions can be found in Chapters 5 and 6 of this manual.

Grant Number Profile

The D47 Grant Number profile establishes the agency defined grant number and the associated title for grant reporting purposes. Budgeting by grant phase is determined through this profile.

Grantor Profile

The D28 Grantor profile defines the grantor ID and the associated name and address for grant reporting purposes. This is an agency defined profile.

Grant Type Profile

The D35 Grant Type profile is statewide defined. It defines the grant type and associates a title, effective start date and effective end date.

Grant Category Profile

The D40 Grant Category profile defines the grant category, typically the catalog of federal direct assistance (CFDA) number, and the associated title used for grant reporting purposes. The Grant Category profile also defines the CMIA types and average days clearance. This profile is statewide defined.

Grant/Project Billing Request Profile

The 92 Grant/Project Billing Request profile provides the ability to generate detailed billing reports (proof lists) for grants and projects and generate billing transactions for projects which are not scheduled to be billed on specific dates (billing schedules are defined in the Grant Control and Project Control profiles). One Grant/Project Billing Request profile record is set up for each agency. Instructions for this profile are included in Chapter 6.

Grant Object Profile

The D48 Grant Object profile is an optional profile which provides the ability to report R★STARS expenditure object classifications according to a unique grant object coding scheme. Ranges of comptroller and agency objects are established in the profile that look up a specific grant object. The following example illustrates the look up if only the comptroller object is coded in the profile.

R★STARS Comptroller Expenditure Object	Grant Object	Description
6011 to 6099	142131	Salaries and Wages
6100 to 6199	144737	Employee Benefits
6500 to 6599	122763	Travel-In State

Agency Code 1 Profile

The D26 Agency Code 1 profile is agency defined and may optionally be used to track grant budgets and generate grant bills. Input coding instructions are included in Chapter 5.

14.3 ENTRY OF GRANT BUDGETS

The use of grant budgets is an optional feature of R★STARS. The Grant Control profile (discussed in Section 14 - 1) contains indicators which define whether billable and/or expendable budgets will be used.

When grant expendable or billable budgets are utilized, the budgets must be entered as standard financial transactions using the on-line data entry capabilities of R★STARS. These budgets are entered using transaction codes established specifically for this purpose. Billable and expendable budgets require separate transaction codes.

Once the grant budgets are established, they may be adjusted (increased or decreased) at any time by entering adjustment transactions into the system in the same manner as the original budgets were entered. Normally, decrease adjustments are entered with the reverse code set to "R."

Many levels of budgets are available for grants. Appropriations, allotments and financial plans are discussed in the R★STARS Reference Manual, Chapter 6, "Budgeting." In addition to these, billable budgets and expendable budgets may also be recorded and controlled. These optional budgets may be recorded on a phase-by-phase basis at the grant level, or at the agency code 1 level. Billable and expendable budgets are discussed below.

Billable Budgets

Billable budgets may be entered at the grant or phase level or by expenditure object or agency code 1 within grant or phase. These budgets serve to limit the amount of the billing transaction calculated. Billable budgets may be used not only to limit the amount of the charge but to limit the types of expenditures billed. In this way, only specified expenditure object codes would be billed even though other costs may be charged to the grant.

It should be noted that if the billable budget is selected and no budget is entered, billing transactions will not be reported.

Billable budgets, if utilized, must be entered at the same level as the Expenditure Posting Level indicator in the 29 Grant Control profile and must be entered for the appropriate objects. Unless these rules are followed, expenditures will not be billed.

Revenue, expenditure reimbursement and accounts receivable transactions may be limited to the billable budget amount if certain billing methods are chosen. The Grant/Project Billing subsystem calculates the total cumulative-to-date expenditures, deducts previously billed

*Data Entry Guide
Grant Accounting*

amounts and compares the result to the billable budget. The billing is then reported for an amount up to the billable budget amount.

Users should monitor billable budgets to ensure that they are reasonable and that the appropriate amount of billing transactions are being generated.

In summary, a budget must be recorded for each expenditure record established in the Grant Table which is to be billed.

Expendable Budgets

The second type of grant budgets, expendable budgets, may be recorded to limit the amount of expenditures charged to the grant. When expenditure transactions are entered against a grant, the available balance of the expendable budget is compared to the amount of the expenditure.

Like billable budgets, expendable budgets may be recorded at the grant or phase level or at the object or agency code 1 level within grant or phase. By entering expendable budgets at a level below grant or phase, the types of expenditures charged against a grant may be controlled. For example, if fatal control is selected for an expendable budget for services and supplies, only services and supplies expenditures may be charged to the grant.

Expendable budgets must be recorded using the same rules as those described above for billable budgets. That is, expendable budgets must be entered at the same level as the Expenditure Posting Level indicator in the 29 Grant Control profile and must be entered for the appropriate objects.

Encumbrance and expenditure transactions are controlled against the grant expendable budget by using the Grant Control Type indicator in the 29 Grant Control profile. If the Grant Control Type indicator in the 29 Grant Control profile is set to "1," encumbrance and expenditure transactions which exceed the expendable budget will fall to the Error file. If set to "2," these transactions will post to the financial files (including the Project Financial Table) and a warning message will be issued. If set to "0," these transactions will post to the financial tables and will not be evidenced by an error message.

The Budgetary Transaction Entry screen and coding instructions are covered in Chapter 3.

14.4 ENTRY OF SUBGRANTEE FINANCIAL ACTIVITY

(Not used in Michigan)

The subgrantee accounting component of R★STARS will not be used in Michigan. Other R★STARS features will provide for this function. Agencies will create external organizations in their organization structures to account for transactions and reporting requirements with regard to pass-through recipients. Input coding instructions for the establishment of organization structures are included in Chapter 4.

R★STARS provides the ability to track financial activity for subgrants. To utilize these features, subgrants must be established in the Subgrantee Control profile. Subgrantee coding instructions as well as the screen and form follow this section. In order to track subgrantees it's important to understand that special transactions posting to subgrantees must be entered in R★STARS.

Once the subgrantee codes are established, the following subgrantee financial information may be recorded in R★STARS:

- Subgrantee contracts
- Disbursements to subgrantees
- Subgrantee expenditures

The entry of subgrantee financial activity is described below. Input coding instructions for financial transactions are included in Chapter 3.

Recording Subgrantee Contracts

Subgrantee contracts, also known as allocations, are recorded as an encumbrance against the grant and as an expendable budget against the subgrant. The Pre-Encumbrance/Encumbrance screen is used to record the Subgrantee Contract. Data entry input coding instructions for pre-encumbrances and encumbrances are discussed in Chapter 3.

Recording Disbursements to Subgrantees

Disbursements to subgrantees may be recorded as advances or reimbursements. In either case they are recorded against both the subgrant (as an advance) and against the grant (as an expenditure and encumbrance liquidation).

Data Entry Guide
Grant Accounting

Recording Subgrantee Expenditures

Expenditures made by subgrantees are not expenditures of the governmental entity. Therefore, these amounts are recorded as memorandum entries in R★STARS for reporting purposes only. Subgrantee expenditures are recorded against the subgrant only - not against the grant.

```
S031 VER 2.0                R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                    SUBGRANTEE CONTROL PROFILE        FACS

AGENCY:                     SUBGRANTEE ID:
NAME:
ADDR 1:
ADDR 2:
ADDR 3:
CITY:                       STATE:        ZIP CD:

CONTACT:
PHONE NO:                   SUBGRANTEE TYPE:
GRANT NO/PH:                AGY CD 1:
COMPLIANCE AUDIT DATE:      COMPLIANCE AUDIT STATUS:
REPORT DATES:
FISCAL YEAR START DATE:     FISCAL YEAR END DATE:

                                STATUS CODE: A
EFF START DATE: 08091994    EFF END DATE:        LAST PROC DATE:

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

Data Entry Guide
Grant Accounting

14.5 REPORTING AND INQUIRY

The grant-related reporting capabilities of R★STARS include on-line inquiry, system-generated reports and user-requested reports. These capabilities provide a full range of financial information for both reimbursable and non-reimbursable grants. The following paragraphs describe the on-line inquiries and hard copy reports available.

On-Line Inquiry

The primary source of on-line financial information for grants is available through the Grant Financial Inquiry screen. Screen 66 from the Financial Inquiry menu provides access to record inquiries and financial inquiries to the Grant Table.

The key to this file is agency, grant, phase, agency code 1, appropriated fund or fund and comptroller object or agency object and grant object. The level of information maintained in this table is defined in the Grant Control profile. Detailed procedures for using the on-line inquiry features are provided in Chapter 3.

S066	R★STARS ACCOUNTING	08/15/94 12:00 PM
LINK TO:	GRANT FINANCIAL INQUIRY	FACS
AGENCY:		
GRANT NO:		
GRANT PH:		
AGY CD-1:		
FUND:	COMP/AGY OBJ:	GRANT OBJECT:
GRANTOR ID:		GRANT TYPE:
GRANTOR NAME:		
GRANT CAT:		
INQ TYPE: MC (MA, YA, MY, YY, MC, YC)	DETAIL/SUMMARY: D	
INQ YEAR:	INQ MONTH:	EXPEND BUDGET BALANCE:
BT	TITLE	AMOUNT
BT	TITLE	AMOUNT
F1-HELP F5-NEXT F9-INTERRUPT ENTER-INQUIRE CLEAR-EXIT		

Data Entry Guide
Grant Accounting

```

S067                                R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                           GRANT TRANSACTION INQUIRY          FACS

      AGY:          GRANT NO:
GRANT PH:          AGY CD-1:
EFF DATE RANGE:    TO 090994    BALANCE TYPE:          REC TYPE: A
      FUND:          COMP/AGY OBJ:          GRANT OBJECT:

CUR DOC/SFX/CLASS  VEND NO/MC    VEND NAME          TC    TRANS AMT    R
REF DOC/SFX/CLASS  INDEX  PCA  AY FUND COBJ AOBJ GOBJ  PROJ/PH  AGY CD-2

F1-HELP      F8-NEXT PAGE      F9-INTERRUPT      ENTER-INQUIRE      CLEAR-EXIT
  
```

The 67 Grant Transaction Inquiry screen provides an on-line mechanism for viewing grant related financial information at the detail level by balance type. This screen accesses data in the Accounting Event or Inactive Accounting Event Tables by agency, grant, balance type and record type. Another discussion of this screen can be found in Chapter 3.

System-Generated Reports

The DAFR4041 Grant Billings Detail report is generated automatically each time the Grant subsystem is run, both during the month for grants scheduled for non-month-end billing and at month-end. (For non-month-end billings, this report is generated only when requested through the Grant/Project Billing Request profile.) This report displays the recovery transactions calculated by the system.

User-Requestable Profile Reports

Except for the Grant/Project Billings Detail report, all grant related reports are user requestable. Agencies must specifically request these reports by following the procedures outlined in Chapter 11.

14.6 GRANT EXAMPLES

This section presents a number of examples which illustrate varying levels of complexity in using the Grant subsystem. Completed forms are included to display profile entries. A brief description of the examples follows.

Example 1

Agency ZZZ will receive a federal grant to fund community training programs. All costs for these programs will be incurred internally; no contractors will be involved. The agency will not require billing detail reports because the grant will be received in equal annual installments. The report of grant revenues and expenditures will be used to support the program costs. No budgets will be recorded.

The following page displays the D47 and D29 profile screens used to establish the first grant phase in the system. This is the simplest use of the Grant Billing subsystem.

Example 2

Agency ZZZ will receive state reimbursement for 90% of its actual costs in implementing a new automated system for tracking welfare payments. The Federal Government will fund the remaining 10%. There is a cap on the grant for Fiscal Year 1994 in the amount of \$720,000. Therefore, total expenditures may not exceed \$800,000 (90% state, 10% local).

To support preparing claims to the Federal Government, Agency ZZZ has completed the Grant Control profile and the Grant/Project Billing Request profile as displayed on the following pages. Note that the grant is billable each week as indicated in the Grant Control profile and that the Grant/Project Billing Request profile has been set up to request the billing detail reports for the first week.

Data Entry Guide
Grant Accounting

```
SD47 VER 2.0                      R★STARS ACCOUNTING          08/15/94 12:00 PM
LINK TO:                          GRANT NUMBER PROFILE          FACS
                                         NOTE: N

      AGENCY: ZZZ (MUST BE IN D02 AGENCY PROFILE)
GRANT NUMBER: 000234  TITLE: COMMUNITY TRAINING PROGRAMS
FISCAL YEAR END: 0930  DESC: TRAINING WITHIN THE COMMUNITY
GRANT PH BUDGET LEVEL IND: Y (Y OR N - CONTROL BUDGETS AT PHASE LEVEL)
      AGY BUD GRANT LEVEL IND: 0 (0=NO GRANT, 1=GRANT, 2=GRANT/PHASE)
GRANTOR ID: 2340000000000000 CATEGORY: 000001 GRANT TYPE: 01
      ADDRESS 1: 1745 TERALBA WAY
      ADDRESS 2:
      ADDRESS 3:
      CITY: AUSTIN                      STATE: TX ZIP CODE: 78759 0001
STATE MATCH %: 00 AWARD DATE: 04081993 AWARD CONTRACT NO: 1776543452
STATE APPL ID: 887650034              LOC REF NO: 0009998765
MANAGER: ANTHONY PERKINS
APPLICATION STATUS: 1  DUE DATE: 03081993 FINAL DECISION DATE: 04081993
      AVG DAYS CLEAR: 000                      LEAD TIME: 000
AUDIT COMP DATE:                      AUDIT INDICATOR: N STATUS CODE: A
      EFF START DATE: 05221994  EFF END DATE:          LAST PROC DATE: 05221994
Z06 RECORD SUCCESSFULLY RECALLED

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

```
S029 VER 2.0                      R★STARS ACCOUNTING          08/15/94 12:00 PM
LINK TO:                          GRANT CONTROL PROFILE          FACS
AGENCY: ZZZ                        NOTE: N
GRANT NO/PH: 000234 93 AGY CD 1:    GRANT TYPE: 01 (SYSTEM-GENERATED)
      TITLE: COMMUNITY TRAINING - 93          GEOGRAPHIC CODE:
SGL POST LEVEL IND: 0  LETTER OF CR NO:
EXP POST LEVEL IND: 0  REV POST LEVEL IND: 0          GRANT CTL TYPE IND: 0
      CASH CTL POST IND: N  CASH CTL TYPE IND: 0  PROJ/PH:          AGY CD 2:
      SERV DATE CTL IND: N          GRANT OBJ IND:    CONTRACTOR/SFX:
      * * * * * BILLING INFO * * * * *
METHOD: 0          CYCLE: 0  MMDD: 1    2    3    4
OBJECT RANGE: -          LOW:          HIGH:          RATE: 00000.0000
          LOW:          HIGH:          RATE: 00000.0000
          LOW:          HIGH:          RATE: 00000.0000
BILLING COMP -  SOFT MATCH: N  IN KIND: N  MEMO ENTRIES: N
      * * * * * RECOVERY SEGMENT * * * * *
      CUR DOC/SFX:          TC:          INDEX:          PCA:          AY:
COMP/AGY OBJ:          FUND:          DESC:
      MP CODE:          AGY CD - 1:    2:    3:
FINAL POST DATE:          RTI:          STATUS CODE: A
      EFF START DATE: 05221994  EFF END DATE:          LAST PROC DATE: 05221994
Z06 RECORD SUCCESSFULLY RECALLED

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

Data Entry Guide
Grant Accounting

```
SD47 VER 2.0                      R★STARS ACCOUNTING          08/15/94 12:00 PM
LINK TO:                          GRANT NUMBER PROFILE          FACS
                                         NOTE: N

      AGENCY: ZZZ (MUST BE IN D02 AGENCY PROFILE)
GRANT NUMBER: 123000  TITLE: AUTOMATED SYSTEM DEVELOPMENT
FISCAL YEAR END: 0930  DESC: TRACK WELFARE PAYMENTS
GRANT PH BUDGET LEVEL IND: Y (Y OR N - CONTROL BUDGETS AT PHASE LEVEL)
  AGY BUD GRANT LEVEL IND: 0 (0=NO GRANT, 1=GRANT, 2=GRANT/PHASE)
GRANTOR ID: 23400000000001 CATEGORY: 10.557 GRANT TYPE: 01
  ADDRESS 1: 3724 MANAGEMENT DRIVE
  ADDRESS 2:
  ADDRESS 3:
    CITY: AUSTIN                      STATE: TX ZIP CODE: 78742 0001
STATE MATCH %: 90 AWARD DATE: 04081993 AWARD CONTRACT NO: 00000000033987220845
STATE APPL ID: ZZ89765300983          LOC REF NO: 1212343434
MANAGER: TONY HILLERMAN
APPLICATION STATUS: 1  DUE DATE: 03081993 FINAL DECISION DATE: 04081993
  AVG DAYS CLEAR: 000                      LEAD TIME: 000
AUDIT COMP DATE:                      AUDIT INDICATOR: N STATUS CODE: A
  EFF START DATE: 05221994  EFF END DATE:          LAST PROC DATE: 05221994
Z06 RECORD SUCCESSFULLY RECALLED

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

```
S029 VER 2.0                      R★STARS ACCOUNTING          05/22/94 03:20 PM
LINK TO:                          GRANT CONTROL PROFILE          FACS
AGENCY: ZZZ                      NOTE: N
GRANT NO/PH: 123000 93 AGY CD 1:      GRANT TYPE: 01 (SYSTEM-GENERATED)
  TITLE: AUTOMATED SYSTEM DEVELOPMENT          GEOGRAPHIC CODE: 01
SGL POST LEVEL IND: 0  LETTER OF CR NO:
EXP POST LEVEL IND: 0  REV POST LEVEL IND: 0          GRANT CTL TYPE IND: 1
  CASH CTL POST IND: N  CASH CTL TYPE IND: 0  PROJ/PH:          AGY CD 2:
  SERV DATE CTL IND: N  GRANT OBJ IND:      CONTRACTOR/SFX:
    * * * * * BILLING INFO * * * * *
METHOD: 6          CYCLE: 2  MMDD: 1  07 2  14 3  21 4  28
OBJECT RANGE: -          LOW:          HIGH:          RATE: 00000.0000
                          LOW:          HIGH:          RATE: 00000.0000
                          LOW:          HIGH:          RATE: 00000.0000
BILLING COMP -  SOFT MATCH: N  IN KIND: N  MEMO ENTRIES: N
    * * * * * RECOVERY SEGMENT * * * * *
  CUR DOC/SFX: V4111111 001 TC: 001  INDEX: 10000  PCA: 10000  AY: 94
COMP/AGY OBJ: 7001 1000  FUND:          DESC: SALARIES
  MP CODE:          AGY CD - 1:          2:          3:
FINAL POST DATE:          RTI:          STATUS CODE: A
  EFF START DATE: 05221994  EFF END DATE:          LAST PROC DATE: 05221994
Z06 RECORD SUCCESSFULLY RECALLED

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

Data Entry Guide
Grant Accounting

```
S092 VER 2.0                R★STARS ACCOUNTING        08/15/94 12:00 PM
LINK TO:                    GRANT/PROJECT BILLING REQUEST    FACS

AGENCY: ZZZ
PERIOD: CM (CM=CUR MONTH, PM=PRIOR MONTH)

BILLING CYCLE  FROM DATE  TO DATE  TRANS  FROM DATE  TO DATE  TRANS
SELECTION      MMDD      MMDD      IND      MMDD      MMDD      IND
    0607      0607      P          4
                                5
                                6

GRANTS TO EXCLUDE
    2          3          4          5
PROJECTS TO EXCLUDE
    2          3          4          5
GRANTS TO INCLUDE
123000 93    2          3          4          5
PROJECTS TO INCLUDE
    2          3          4          5
Z06 RECORD SUCCESSFULLY RECALLED

F1-HELP F3-DELETE F9-INTERUPT F10-SAVE F11-SAVE/CLEAR ENTER-INQUIRE CLEAR-EXIT
```


14.7 CASH MANAGEMENT IMPROVEMENT ACT (CMIA) PROCESSING

The 1990 Cash Management Improvement Act (CMIA) is related to the methods used by the Treasury Department to disburse Federal assistance funds to the State. CMIA affects final approved expenditures charged to a grant which has an automatic billing method and whose D40 Grant Category (CFDA) is subject to CMIA. The CMIA process determines the CMIA due date, which is the date the State Treasurer can draw down funds without incurring interest liabilities, and sets up a receivable for the money owed to the State by the Federal Government.

More specifically, after the nightly payment processing cycle, but before the input, edit & update (IEU) process, the IT file is accessed to determine which records are final approved expenditures charged to a grant. It further identifies which of those grant expenditures have a billing method set to "automatic" (7) on the 29 Grant Control profile. The associated grant category (CFDA) is looked up on the D47 Grant Number profile for each grant number meeting the above criteria. The system looks up the CMIA type on the D10 Comptroller Object profile and matches it to a CMIA type on the D40 Grant Category profile to determine the average days clearance for that type. The CMIA due date then becomes the average days clearance plus the payment due date. If the CMIA type on the D10 Comptroller Object profile is blank, or a match is not found between the D10 CMIA type and the D40 Grant Category CMIA types, then the default days clearance from the D40 Grant Category profile is used in place of the average days clearance. If the transaction is a direct deposit or wire transfer, the CMIA due date is equal to the payment due date.

An accounts receivable transaction, using the CMIA due date, is generated to indicate an amount due from the Federal Government using the coding block values found in the recovery segment of the 29 Grant Control profile.

The system generates an interface transaction for the State Treasurer. The transaction code on the accounts receivable transaction is used to look up the Generate Transaction code and Document Type from the 28A Transaction Code Decision profile. The transactions are then posted in the batch IEU cycle that same night.

DAFR7870 Letter of Credit Drawdown can be generated that lists the outstanding accounts receivable documents for which receipts have not been posted. This report will be used to review past due receivables and to prepare Letter Of Credit (LOC) requests.